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LEGISLATIVE HISTORY

Public Law 427--77th Congress

Chapter 32--2d Session

H. R. 5171

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DIGEST OF PUBLIC LAW 427

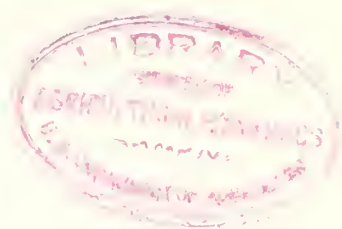
APPROPRIATION ACCOUNTS AND LIMITATIONS FOR AAA ADMINISTRATIVE EXPENSES. Amends the Agricultural Adjustment Act of 1938 so as to (1) retain the 3% limitation on AAA administrative expenses but remove the separate 1% limitation with reference to D. C. administrative expenses and the separate 2% limitation on administrative expenses in the States; (2) provide for expenditure by SMA of not over 4% of Sec. 32 funds for administrative expenses in D. C. and the States; (3) provide for separate appropriation accounts to be created from funds available to the AAA; (4) provide for elimination of the requirement that each farmer receiving a conservation payment, parity payment, or loan must receive an accompanying notice of the amount or percentage deducted for local administrative expenses; and (5) provide for inclusion in the AAA Act of authority previously contained in the Agricultural Appropriation Act to enable the Secretary to make expenditures under the Soil Conservation and Domestic Allotment Act and the Agricultural Adjustment Act of 1938, including preparation and display of exhibits.

INDEX AND SUMMARY OF HISTORY ON H. R. 5171

June 25, 1941	H. R. 5171 was introduced by Rep. Fulmer and was referred to the House Committee on Agriculture. Print of the bill as introduced.
July 30, 1941	House Committee reported H. R. 5171 with an amendment. House Report 1077. Print of the bill as reported.
October 6, 1941	House debated H. R. 5171.
October 21, 1941	House debate concluded. Passed House as reported.
October 23, 1941	H. R. 5171 was referred to the Senate Committee on Agriculture and Forestry. Print of the bill as referred.
January 16, 1942	Senate Committee reported H. R. 5171 without amendment. Senate Report 960. Print of the bill as reported.
January 22, 1942	H. R. 5171 discussed in the Senate and passed as reported.
January 31, 1942	Approved. Public Law 427.

77TH CONGRESS
1ST SESSION

H. R. 5171



IN THE HOUSE OF REPRESENTATIVES

JUNE 25, 1941

Mr. FULMER introduced the following bill; which was referred to the Committee on Agriculture

A BILL

Handwritten notes and stamps on the right margin, including a large 'X' and some illegible text.

To amend section 392 of the Agricultural Adjustment Act of 1938, as amended, so as to provide for separate appropriation accounts for administrative expenses of the Agricultural Adjustment Administration, so as to modify the 1 and 2 per centum limitations on administrative expenses and to provide over-all limitations in lieu thereof, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That, effective for the fiscal year 1942 and subsequent fiscal
4 years, section 392 of the Agricultural Adjustment Act of
5 1938, as amended, is amended as follows:

6 (a) Subsection (a) is amended to read as follows:

7 “(a) The Secretary is authorized and directed to make

1 such expenditures as he deems necessary to carry out the
2 provisions of this Act and sections 7 to 17, inclusive, of the
3 Soil Conservation and Domestic Allotment Act, as amended,
4 including personal services and rents in the District of Colum-
5 bia and elsewhere; traveling expenses; supplies and equip-
6 ment; lawbooks, books of reference, directories, periodicals,
7 and newspapers; and the preparation and display of exhibits,
8 including such displays at community, county, State, inter-
9 state, and international fairs within the United States. The
10 Secretary of the Treasury is authorized and directed upon the
11 request of the Secretary to establish one or more separate
12 appropriation accounts into which there shall be transferred
13 from the respective funds available for the purposes of the
14 several Acts, in connection with which personnel or other
15 facilities of the Agricultural Adjustment Administration are
16 utilized, proportionate amounts estimated by the Secretary
17 to be required by the Agricultural Adjustment Administration
18 for administrative expenses in carrying out or cooperating
19 in carrying out any of the provisions of the respective Acts.”

20 (b) Subsection (b) is amended to read as follows:

21 “(b) In the administration of this title and sections
22 7 to 17, inclusive, of the Soil Conservation and Domestic
23 Allotment Act, as amended, the aggregate amount expended
24 in any fiscal year, beginning with the fiscal year ending
25 June 30, 1942, for administrative expenses in the District

1 of Columbia, including regional offices, and in the several
2 States (not including the expenses of county and local
3 committees) shall not exceed 3 per centum of the total
4 amount available for such fiscal year for carrying out the
5 purposes of this title and such Act. In the administration
6 of section 32 of the Act entitled 'An Act to amend the
7 Agricultural Adjustment Act, and for other purposes',
8 approved August 24, 1935 (49 Stat. 774), as amended,
9 and the Agricultural Marketing Agreement Act of 1937,
10 as amended, and those sections of the Agricultural Adjust-
11 ment Act (of 1933), as amended, which were reenacted
12 and amended by the Agricultural Marketing Agreement
13 Act of 1937, as amended, the aggregate amount expended
14 in any fiscal year, beginning with the fiscal year ending
15 June 30, 1942, for administrative expenses in the District
16 of Columbia, including regional offices, and in the several
17 States (not including the expenses of county and local
18 committees) shall not exceed 4 per centum of the total
19 amount available for such fiscal year for carrying out the
20 purposes of said Acts. In the event any administrative
21 expenses of any county or local committee are deducted
22 in any fiscal year, beginning with the fiscal year ending
23 June 30, 1939, from Soil Conservation Act payments, parity
24 payments, or loans, each farmer receiving benefits under
25 such provisions shall be apprised of the amount or percentage

1 deducted from such benefit payment or loan on account of
2 such administrative expenses. The names and addresses
3 of the members and employees of any county or local com-
4 mittee, and the amount of such compensation received by
5 each of them, shall be posted annually in a conspicuous place
6 in the area within which they are employed.”

7 (c) Section 392 is further amended by adding at the
8 end thereof the following new subsection:

9 “(c) In carrying into effect section 8 of the Soil Con-
10 servation and Domestic Allotment Act, as amended, the
11 Secretary shall have authority to purchase seeds, fertilizers,
12 liming or other soil-conditioning materials, trees, or any other
13 farming materials, or any soil-conserving or soil-building
14 services, and to make grants thereof to agricultural producers
15 to aid them in carrying out farming practices approved in
16 programs formulated pursuant to such section; to reimburse
17 any Federal, State, or local governmental agency for any
18 seeds, fertilizers, liming or other soil-conditioning materials,
19 trees, or any other farming materials, or any soil-conserving
20 or soil-building services, furnished by such agency; and to
21 pay all expenses necessary in making such grants, includ-
22 ing all or part of the costs incident to the delivery thereof.”

A BILL

To amend section 392 of the Agricultural Adjustment Act of 1938, as amended, so as to provide for separate appropriation accounts for administrative expenses of the Agricultural Adjustment Administration, so as to modify the 1 and 2 per centum limitations on administrative expenses and to provide over-all limitations in lieu thereof, and for other purposes.

By Mr. FULMER

JUNE 25, 1941

Referred to the Committee on Agriculture

AMENDING THE AGRICULTURAL ADJUSTMENT ACT OF 1938

JULY 30, 1941.—Committed to the Committee of the Whole House on the state
of the Union and ordered to be printed

Mr. FULMER, from the Committee on Agriculture, submitted the
following

REPORT

[To accompany H. R. 5171]

The Committee on Agriculture, to whom was referred the bill (H. R. 5171) to amend section 392 of the Agricultural Adjustment Act of 1938, as amended, so as to provide for separate appropriation accounts for administrative expenses of the Agricultural Adjustment Administration, so as to modify the 1- and 2-percent limitations on administrative expenses and to provide over-all limitations in lieu thereof, and for other purposes, having considered the same, report favorably thereon with an amendment and recommend that the bill, as amended, do pass.

The amendment is as follows:

Strike out subsection (c) of the bill.

The bill amends section 392 of the Agricultural Adjustment Act, amended, so as to accomplish the following purposes:

(1) To retain the existing 3-percent limitation relating to administrative expenses, but to remove the separate 1-percent limitation with respect to administrative expenses in the District of Columbia and the separate 2-percent limitation on administrative expenses in the States. By reason of the recent extension of the civil-service laws and the Classification Act to the field personnel, it is contemplated that the administrative expenses in the field for the fiscal year 1942 will exceed the existing 2-percent limitation, but the over-all administrative expenses will come well within the existing 3-percent limitation.

(2) To provide for separate appropriation accounts for administrative expenses to be created from funds available to the Agricultural Adjustment Administration, and thus do away with the requirement that all administrative expenditures be recorded and reported under each separate appropriation. By reason of the number of programs

administered by the Agricultural Adjustment Administration, it is extremely difficult to allot to the appropriation for any particular program the administrative expenses incurred in carrying out that program.

(3) To provide for the elimination of the present requirement that each farmer receiving a conservation payment, a parity payment, or a loan must receive an accompanying notice of the amount or percentage deducted for administrative expenses of his county or local committee, and provide in lieu thereof that all such persons be notified of the amount or percentage deducted from their payments for such expenses. The requirement that the notice accompany the check has delayed the process of disbursement.

(4) To include the preparation and display of exhibits as an object of expenditure from funds appropriated to carry out the Soil Conservation and Domestic Allotment Act and the Agricultural Adjustment Act of 1938, as amended. Such inclusion in the past has been contained in the annual appropriation acts.

CHANGES IN EXISTING LAW

In compliance with paragraph 2a of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in *italic*, existing law in which no change is proposed is shown in roman):

ADMINISTRATIVE EXPENSES

SEC. 392. (a) The Secretary is authorized and directed to make such expenditures as he deems necessary to carry out the provisions of this Act **[**, including personal services and rents in the District of Columbia and elsewhere, traveling expenses (including the purchase, maintenance, and repair of passenger-carrying vehicles), supplies and equipment, law books, books of reference, directories, periodicals, and newspapers.**]** *and sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act, as amended, including personal services and rents in the District of Columbia and elsewhere; traveling expenses; supplies and equipment; lawbooks, books of reference, directories, periodicals, and newspapers; and the preparation and display of exhibits, including such displays at community, county, State, interstate, and international fairs within the United States.* The Secretary of the Treasury is authorized and directed upon the request of the Secretary to establish one or more separate appropriation accounts into which there shall be transferred from the respective funds available for the purposes of the several Acts, in connection with which personnel or other facilities of the Agricultural Adjustment Administration are utilized, proportionate amounts estimated by the Secretary to be required by the Agricultural Adjustment Administration for administrative expenses in carrying out or cooperating in carrying out any of the provisions of the respective Acts.

[(b) In the administration of this title, sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act, as amended, and section 32, as amended, of the Act entitled "An Act to amend the Agricultural Adjustment Act, and for other purposes", approved August 24, 1935, the aggregate amount expended in any fiscal year, beginning with the fiscal year ending June 30, 1939, for administrative expenses in the District of Columbia, including regional offices, shall not exceed 1 per centum of the total amount available for such fiscal year for carrying out such Acts, and the aggregate amount expended in any fiscal year for administrative expenses in the several States (not including the expenses of county and local committees) shall not exceed 2 per centum of the total amount available for such fiscal year for carrying out such Acts. In the event any administrative expenses of any county or local committee are deducted in any fiscal year, beginning with the fiscal year ending June 30, 1939, from Soil Conservation Act payments, parity payments, or loans, each farmer receiving benefits under such pro-

visions shall be apprised, in the form of a statement to accompany the check evidencing such benefit payment or loan, of the amount or percentage deducted from such benefit payment or loan on account of such administrative expenses. The names and addresses of the members and employees of any county or local committee, and the amount of such compensation received by each of them, shall be posted annually in a conspicuous place in the area within which they are employed.]

(b) *In the administration of this title and sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act, as amended, the aggregate amount expended in any fiscal year, beginning with the fiscal year ending June 30, 1942, for administrative expenses in the District of Columbia, including regional offices, and in the several States (not including the expenses of county and local committees) shall not exceed 3 per centum of the total amount available for such fiscal year for carrying out the purposes of this title and such Act. In the administration of section 32 of the Act entitled "An Act to amend the Agricultural Adjustment Act, and for other purposes", approved August 24, 1935 (49 Stat. 774), as amended, and the Agricultural Marketing Agreement Act of 1937, as amended, and those sections of the Agricultural Adjustment Act (of 1933), as amended, which were reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, the aggregate amount expended in any fiscal year, beginning with the fiscal year ending June 30, 1942, for administrative expenses in the District of Columbia, including regional offices, and in the several States (not including the expenses of county and local committees) shall not exceed 4 per centum of the total amount available for such fiscal year for carrying out the purposes of said Acts. In the event any administrative expenses of any county or local committee are deducted in any fiscal year, beginning with the fiscal year ending June 30, 1939, from Soil Conservation Act payments, parity payments, or loans, each farmer receiving benefits under such provisions shall be apprised of the amount or percentage deducted from such benefit payment or loan on account of such administrative expenses. The names and addresses of the members and employees of any county or local committee, and the amount of such compensation received by each of them, shall be posted annually in a conspicuous place in the area within which they are employed.*

(c) *In carrying into effect section 8 of the Soil Conservation and Domestic Allotment Act, as amended, the Secretary shall have authority to purchase seeds, fertilizers, liming or other soil-conditioning materials, trees, or any other farming materials, or any soil-conserving or soil-building services, and to make grants thereof to agricultural producers to aid them in carrying out farming practices approved in programs formulated pursuant to such section; to reimburse any Federal, State, or local governmental agency for any seeds, fertilizers, liming or other soil-conditioning materials, trees, or any other farming materials, or any soil-conserving or soil-building services, furnished by such agency; and to pay all expenses necessary in making such grants, including all or part of the costs incident to the delivery thereof.*

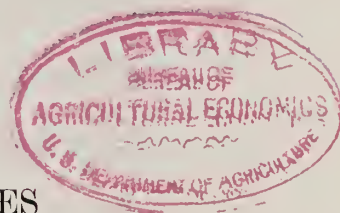
(NOTE: The committee amendment proposes to strike out subsection (c) above.)



77TH CONGRESS
1ST SESSION

H. R. 5171

[Report No. 1077]



IN THE HOUSE OF REPRESENTATIVES

JUNE 25, 1941

Mr. FULMER introduced the following bill; which was referred to the Committee on Agriculture

JULY 30, 1941

Reported with an amendment, committed to the Committee of the Whole House on the state of the Union, and ordered to be printed

[Omit the part struck through]

A BILL

To amend section 392 of the Agricultural Adjustment Act of 1938, as amended, so as to provide for separate appropriation accounts for administrative expenses of the Agricultural Adjustment Administration, so as to modify the 1 and 2 per centum limitations on administrative expenses and to provide over-all limitations in lieu thereof, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That, effective for the fiscal year 1942 and subsequent fiscal
4 years, section 392 of the Agricultural Adjustment Act of
5 1938, as amended, is amended as follows:

6 (a) Subsection (a) is amended to read as follows:

1 “(a) The Secretary is authorized and directed to make
2 such expenditures as he deems necessary to carry out the
3 provisions of this Act and sections 7 to 17, inclusive, of the
4 Soil Conservation and Domestic Allotment Act, as amended,
5 including personal services and rents in the District of Colum-
6 bia and elsewhere; traveling expenses; supplies and equip-
7 ment; lawbooks, books of reference, directories, periodicals,
8 and newspapers; and the preparation and display of exhibits,
9 including such displays at community, county, State, inter-
10 state, and international fairs within the United States. The
11 Secretary of the Treasury is authorized and directed upon the
12 request of the Secretary to establish one or more separate
13 appropriation accounts into which there shall be transferred
14 from the respective funds available for the purposes of the
15 several Acts, in connection with which personnel or other
16 facilities of the Agricultural Adjustment Administration are
17 utilized, proportionate amounts estimated by the Secretary
18 to be required by the Agricultural Adjustment Administration
19 for administrative expenses in carrying out or cooperating
20 in carrying out any of the provisions of the respective Acts.”

21 (b) Subsection (b) is amended to read as follows:

22 “(b) In the administration of this title and sections
23 7 to 17, inclusive, of the Soil Conservation and Domestic
24 Allotment Act, as amended, the aggregate amount expended
25 in any fiscal year, beginning with the fiscal year ending

1 June 30, 1942, for administrative expenses in the District
2 of Columbia, including regional offices, and in the several
3 States (not including the expenses of county and local
4 committees) shall not exceed 3 per centum of the total
5 amount available for such fiscal year for carrying out the
6 purposes of this title and such Act. In the administration
7 of section 32 of the Act entitled 'An Act to amend the
8 Agricultural Adjustment Act, and for other purposes',
9 approved August 24, 1935 (49 Stat. 774), as amended,
10 and the Agricultural Marketing Agreement Act of 1937,
11 as amended, and those sections of the Agricultural Adjust-
12 ment Act (of 1933), as amended, which were reenacted
13 and amended by the Agricultural Marketing Agreement
14 Act of 1937, as amended, the aggregate amount expended
15 in any fiscal year, beginning with the fiscal year ending
16 June 30, 1942, for administrative expenses in the District
17 of Columbia, including regional offices, and in the several
18 States (not including the expenses of county and local
19 committees) shall not exceed 4 per centum of the total
20 amount available for such fiscal year for carrying out the
21 purposes of said Acts. In the event any administrative
22 expenses of any county or local committee are deducted
23 in any fiscal year, beginning with the fiscal year ending
24 June 30, 1939, from Soil Conservation Act payments, parity
25 payments, or loans, each farmer receiving benefits under

1 such provisions shall be appraised of the amount or percentage
2 deducted from such benefit payment or loan on account of
3 such administrative expenses. The names and addresses
4 of the members and employees of any county or local com-
5 mittee, and the amount of such compensation received by
6 each of them, shall be posted annually in a conspicuous place
7 in the area within which they are employed.”

8 ~~(c)~~ Section 392 is further amended by adding at the
9 end thereof the following new subsection:

10 ~~“(c)~~ In carrying into effect section 8 of the Soil Con-
11 servation and Domestic Allotment Act, as amended, the
12 Secretary shall have authority to purchase seeds, fertilizers,
13 liming or other soil-conditioning materials, trees, or any other
14 farming materials, or any soil-conserving or soil-building
15 services, and to make grants thereof to agricultural producers
16 to aid them in carrying out farming practices approved in
17 programs formulated pursuant to such section; to reimburse
18 any Federal, State, or local governmental agency for any
19 seeds, fertilizers, liming or other soil-conditioning materials,
20 trees, or any other farming materials, or any soil-conserving
21 or soil-building services, furnished by such agency; and to
22 pay all expenses necessary in making such grants, including
23 all or part of the costs incident to the delivery thereof.”



77TH CONGRESS
1ST SESSION

H. R. 5171

[Report No. 1077]

A BILL

To amend section 392 of the Agricultural Adjustment Act of 1938, as amended, so as to provide for separate appropriation accounts for administrative expenses of the Agricultural Adjustment Administration, so as to modify the 1 and 2 per centum limitations on administrative expenses and to provide over-all limitations in lieu thereof, and for other purposes.

By Mr. FULMER

JUNE 25, 1941

Referred to the Committee on Agriculture

JULY 30, 1941

Reported with an amendment, committed to the Committee of the Whole House on the state of the Union, and ordered to be printed

the Hawaiian home-loan fund, the Hawaiian home-development fund, and the Hawaiian home-administration account, and to provide the Commission with funds sufficient to execute and carry on such projects and activities. The legislature is further authorized to issue bonds to the extent required to yield the amount of any sum so appropriated. The Commission shall pay from the Hawaiian home-loan fund into the treasury of the Territory—

"(1) upon the date when any interest payment becomes due upon any bond so issued, the amount of the interest then due; and

"(2) commencing with the first such date more than 1 year subsequent to the issuance of any bond and at each interest date thereafter, an amount such that the aggregate of all such amounts which become payable during the term of the bond, compounded annually at the rate of interest specified therein, shall equal the par value of the bond at the expiration of its term."

SEC. 7. Section 222 of the Hawaiian Homes Commission Act, 1920, is hereby amended by amending the second sentence thereof to read as follows: "All expenditures of the Commission, as herein provided out of the Hawaiian home-administration account, the Hawaiian home-development fund, and all moneys necessary for loans made by the Commission, in accordance with the provisions of this chapter, from the Hawaiian home-loan fund, shall be allowed and paid upon the presentation of itemized vouchers therefor, approved by the chairman of the Commission."

SEC. 8. The Hawaiian Homes Commission Act, 1920, is hereby amended by adding thereto a new section to be numbered section 225 and to read as follows:

"SEC. 225. Investment of loan funds; disposition: The Commission shall have the power and authority to invest and reinvest any of the moneys in the loan fund, not otherwise immediately needed for the purposes of the fund, in such bonds and securities as authorized by territorial law for the investment of territorial sinking fund moneys. Any interest or other earnings arising out of such investments shall be credited to and deposited in said fund and shall be included in and considered as a deposit from other sources, as provided for in section 213."

SEC. 9. This act shall take effect on and after the date of its approval.

With the following committee amendments:

On page 1, line 6, insert a comma after the word "Auwaolimu."

On page 2, line 8, delete the words "a farm lot" and insert in lieu thereof the words "agricultural lands."

On page 2, line 10, delete the words "a pastoral lot" and insert in lieu thereof the words "pastoral lands."

On page 2, line 25, delete the parenthesis before the word "either" and insert a comma after the word "crops."

On page 3, line 2, after the word "tracts", delete the parenthesis.

On page 3, line 23, insert before the comma the words "in the order named above."

On page 3, line 25, and page 4, line 1, delete the words "that such person or persons need not be 21 years of age", and insert in lieu thereof the words "as hereinabove provided."

On page 4, lines 16 and 17, delete the words "or the surrender of a lease by the Commission."

On page 5, line 2, delete the word "trust" and insert in lieu thereof the word "tract."

On page 5, line 6, delete the words "his estate", and insert in lieu thereof the words "the deceased lessee, as the case may be."

On page 8, line 9, insert before the comma the words "or if no action hereon is taken by the legislature prior to adjournment."

On page 8, line 14, insert before the comma the words "of the treasury of the Territory."

On page 9, line 25, and page 10, lines 1 through 4, delete the words "where, in such cases of the death of a lessee leaving no qualified relatives, or cancellation of a lease by the Commission, or the surrender of a lease by the lessee, no payment is due or made the legal representative of the deceased lessee, the successor or successors to the tract shall assume" and insert in lieu thereof the words "in case of the death of a lessee, or the cancellation of a lease by the Commission, or the surrender of a lease by the lessee, the successor or successors to the tract shall assume."

On page 10, line 6, insert before the period the words "but subject to the provisions of paragraph (3) of this section."

On page 10, line 15, insert new paragraph as follows: Amend last sentence of paragraph (2) by deleting the words "and interest."

On page 10, line 18, delete the word "borrower's" and insert after the word "death" the words "of a lessee."

On page 10, line 24, delete the word "annual."

On page 11, line 11, insert period after the word "principal" and delete the words "and interest."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT TO SECTION 2 OF ACT TO PROVIDE METHOD OF SETTLEMENT OF CLAIMS ARISING AGAINST GOVERNMENT OF UNITED STATES IN SUMS NOT EXCEEDING \$1,000 IN ANY ONE CASE

The Clerk called the next bill, H. R. 5185, to amend section 2 of the act entitled "An act to provide a method for the settlement of claims arising against the Government of the United States in sums not exceeding \$1,000 in any one case," approved December 28, 1922 (42 Stat. 1066).

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. GORE. Mr. Speaker, reserving the right to object, will the author of the bill give an explanation of it? I have no objection to the bill, but some Members have asked that it be explained.

Mr. McGEHEE. Mr. Speaker, this bill amends the Small Claims Act passed by the Congress in 1922 which gave the governmental departments authority to settle claims for property damages, hospital bills, and so forth, up to the sum of \$500. This amends that act and increases their authority to settle up to the sum of \$1,000. If you will analyze the numerous claims that have come before the Claims Committee that could be settled by the departments, between \$500 and \$1,000, you will see the necessity for the passage of this act increasing their authority for the settlement of these claims up to \$1,000 in place of \$500.

This is recommended by the Department of Agriculture and every other department of the Government. It is recommended that they be given this authority. It is a departmental bill which the Claims Committee approves unanimously and thinks should be passed.

Mr. TABER. Mr. Speaker, reserving the right to object, does not the gentleman think that this bill is of such importance that it should come up in the regular way rather than come up through the Consent Calendar method?

Mr. McGEHEE. I do not think so. As chairman of the Claims Committee and knowing the numerous claims that are being presented to the Congress on account of the increased governmental activities in the past few years, such as the W. P. A., Soil Conservation, C. C. C., and our preparedness program, wherein and by reason of the enormous number of governmental cars and trucks that are being operated on streets and highways, it follows that there is a great increase of claims against the Government for damage to property and individuals. The departments have the personnel to make investigations and make these settlements up to \$1,000, thereby saving the enormous cost to the Congress in considering those between \$500 and \$1,000. They have requested the passage of this bill for this reason.

The Claims Committee has considered it and believes that the present act should be so amended, and that they be given the authority to settle any claim up to \$1,000.

Mr. TABER. Will there not be a lot of settlements between \$500 and \$1,000 that are now settled for under \$500?

Mr. McGEHEE. I do not think so, and I base that statement on my experience of 6 or 7 years on the Claims Committee, watching the governmental reports that come before that committee. They settle them numerous times for less money than Congress would pass a bill for.

Mr. TABER. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

Mr. McGEHEE. Mr. Speaker, I hope the gentleman will not make that request because I think this is going to save Congress a lot of trouble. It will save the Committee on Claims a lot of trouble in handling these bills. When we do that, we are saving the taxpayers of the United States money, as I have stated, for the reason the departments have the personnel to do it and will not entail any extra expense on any department.

I base these statements on the experience I have had with the committee in the past 7 years that I have been a member of the committee. I am now chairman of that committee, and I know, as chairman of the committee, how very closely the departments investigate them. Congress passes many bills that the departments have turned down. I hope the gentleman will not ask that the bill be passed over.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. TABER]?

There was no objection.

AUTHORIZING TREASURER OF THE UNITED STATES TO MAKE SETTLEMENT WITH PAYEES OF LOST OR STOLEN CHECKS

The Clerk called the next bill, H. R. 5079, to authorize the Treasurer of the United States to make settlement with payees of lost or stolen checks, which have been paid on forged endorsements, in advance of reclamation, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Miss SUMNER of Illinois. Mr. Speaker, reserving the right to object, may I ask the author of the bill if this does not include checks that have already been endorsed by the person to whom the check is made? I mean to say that if a check were lost before it has been endorsed by the payee, the Treasurer can recover from the bank, but if it has been endorsed by the payee, then lost without his fault, there would be no recovery by the Treasurer in the case of such check. It seems to me that this bill is too broad on that account, unless it covers it in some way I have not noticed.

Mr. McGEHEE. I beg to differ with the gentleman. I believe the gentleman's premise is entirely wrong, if I understand her statement. The purpose of this bill is to create a revolving fund in the Treasury Department to pay checks that are made payable to the proper parties and are misdirected or not received by such parties, or are received by them and there is a forged endorsement. The party to whom the money is due cannot get his money until recovery is had from the forger or the endorser, if he is worth the money, and this action sometimes carries over a period of years. In such a case you have deprived a veteran or the widow of a veteran or someone else of moneys to which they are entitled. The bill further provides that when this money is recovered it shall be placed in the revolving fund. There are hundreds of these cases, and they are coming up every day.

Miss SUMNER of Illinois. It is apparent that the bill is so intended, but it seems to me it also includes a case where the payee has endorsed the check and then loses it or it is stolen, in which case the Treasury Department would have no recovery except from the person who is responsible.

Mr. McGEHEE. I believe you would have a right to recover.

Miss SUMNER of Illinois. How?

Mr. McGEHEE. From the forger or the endorser.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. McGEHEE. I yield to the gentleman from Missouri.

Mr. COCHRAN. As I understand, this bill is simply to expedite the payment of money, and does not take away from the Government in any way its power to recover the money from the bank or anybody who is responsible for cashing a check that was not properly endorsed or was not cashed by the one entitled to the money.

Mr. McGEHEE. That is true.

Miss SUMNER of Illinois. It seems to me it is very apparent that this does not cover the case where it has passed into the hands of a b. f. p., therefore, Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

Mr. COCHRAN. Reserving the right to object, Mr. Speaker, may I ask the gentleman from Mississippi one more question:

This bill has absolutely nothing whatever to do with the revolving fund which we created to take care of loss of valuable shipments?

Mr. McGEHEE. No.

Mr. COCHRAN. This bill will be helpful, too, but may I say to the gentleman that I introduced the other bill at the request of the Treasury Department. We were paying around \$1,000,000 a year in premiums to private corporations, and had been doing so for years, to insure our valuable shipments. My bill created a revolving fund. The result was that there is now in that revolving fund a sufficient amount of money so that we are not required to make any additional appropriation. In the last report I had I found that after that revolving fund had been in operation for a number of years only a few thousand dollars had been taken out of it. It seems to me that this bill, recommended by the same department as recommended the other bill, should be passed, and that it is sound legislation.

Mr. McGEHEE. This bill was drafted by the Treasury Department, and approved by the Budget, and they asked for its passage.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois that the bill be passed over without prejudice?

There was no objection.

AMENDMENT OF THE AGRICULTURAL ADJUSTMENT ACT OF 1938

The Clerk called the next bill, H. R. 5171, to amend section 392 of the Agricultural Adjustment Act of 1938, as amended, so as to provide for separate appropriation accounts for administrative expenses of the Agricultural Adjustment Administration, so as to modify the 1- and 2-percent limitations on administrative expenses and to provide overall limitations in lieu thereof, and for other purposes.

Mr. KEAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

Mr. FULMER. Mr. Speaker, will the gentleman withhold his request in order that I may explain the bill?

Mr. KEAN. Yes; gladly.

Mr. FULMER. May I say to the gentleman that this bill proposed to amend the Agricultural Adjustment Act so as to bring about a better distribution of the funds allocated to the Department of Agriculture in administering the act. It does not increase the appropriation.

Under the present act they can use 2 percent of the amount allocated within the States and 1 percent in the District of Columbia. Now that the expenses of administering the act in the States have increased, largely because of the Civil Service Act, passed some time ago, which increased the salaries of the employees in the States, they want to use the same fund, but have the right to use the amount necessary to administer the act in the States, even if it is a little more than 2 percent, which would mean that there would be less than 1 percent used in the District of Columbia. It does not increase the appropriation but brings about a better administration of the act.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. FULMER. I yield to the gentleman from Missouri.

Mr. COCHRAN. Will the gentleman advise the House why he has no letter

here from the department explaining its views on the bill? Can the gentleman also tell us if this bill originates with the department or with the author?

Mr. FULMER. I am glad to tell the gentleman that we had the department appear before us at the hearing before the committee, the matter was definitely explained, and the bill was reported unanimously, because it is a simple matter of proper distribution of the funds.

Mr. COCHRAN. There is nothing in the report to indicate to the Members of the House the viewpoint of the Department with reference to this proposed legislation. The fact the committee had the information is not sufficient. Some reference to the Department's views should be in the report.

Mr. FULMER. I am giving the gentleman now the viewpoint of the Department. No additional appropriation will be required. It is a matter of the proper distribution of the funds allocated so as to get results in the administration of the act. This is requested only because the expenses in the States have increased above those in the District of Columbia.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. FULMER. I yield to the gentleman from Pennsylvania.

Mr. RICH. Did I correctly understand the gentleman to say that 2 percent of the amount appropriated for the A. A. A. is all the overhead you have in connection with the administration of that fund?

Mr. FULMER. In the States.

Mr. RICH. How much of it is used in the District of Columbia?

Mr. FULMER. 1 percent is used in the District of Columbia.

Mr. RICH. That makes a total of 3 percent?

Mr. FULMER. A total of 3 percent.

Mr. RICH. Then you want to take the 3 percent and make your distribution between the District of Columbia and the States as the Administration thinks advisable?

Mr. FULMER. That is right. This is brought about largely because of the increase in salaries under the Civil Service Act passed some time ago, which puts the salaries in the States at a higher level than they were prior to that time.

Mr. RICH. Does not the gentleman think that with the great number of people he has administering the A. A. A. we can now eliminate a lot of them both in the States and in the District of Columbia, and let the farmers get the benefit of the money that is appropriated for them without having a lot of political leeches here in the District and back in the States? I know that back in the districts they have more men hanging on to this A. A. A. pay roll than are necessary. They are only an added expense to the American taxpayers and they are only doing good for the political party in power and they ought to be eliminated. Does not the gentleman think that?

Mr. FULMER. May I state to the gentleman that I believe practically all of these departments are topheavy with employees, but this measure does not have a thing to do with that. We are not asking any increase of appropriations; we

are only asking the right to distribute the amount that is already appropriated in a manner that will give actual service to the State and to the Department here in Washington.

Mr. RICH. The gentleman says that all of these departments are topheavy with employees. If we are going to permit this expenditure of such funds for political leeches who are hanging on, when the farmers themselves should get the benefit of such appropriations, then something should be done to eliminate such people. If we are going to permit them to divide up the amount they get here in the District and the amount they get in the States and let the Department handle the entire matter, the gentleman knows that no bureaucrat or no department will ever cut down his expenses. I have never seen any department head come before the Appropriations Committee and say that they could cut out certain employees, or that they could cut down their expenditures. They are always increasing them, and if such increasing is to continue we will never do anything toward cutting down the expenditures of the departments. We will not have any economy in government. I think what you ought to do is to cut this amount down both in the District and in the States, and then we will get some action, and that is the only way you are ever going to get action.

Mr. FULMER. May I state to the gentleman that the Committee on Agriculture has not anything to do with appropriating money. I am not asking for any additional appropriation and neither can my committee cut the appropriation. I am simply asking for a proper distribution of the amount of appropriations given for this purpose rather than have it wasted in one place, when it could be used properly in another place. It is just as simple and fair as can be.

Mr. RICH. I may say that I am a member of the Committee on Appropriations, but I have had no success in that committee in keeping down expenditures. They will not do it. They like to spend too well. If the men in the Department of Agriculture are going to continue to ask for legislation to run all of these bureaus and then come in with a request that the Committee on Appropriations make the appropriations, you are just increasing and increasing all the time the cost of Government. I think something has got to be done by the Congress of the United States to cut down the appropriations for the regular functions of Government. If we do not do this we are lost. We are about on the road to bankruptcy now on account of this war and the increased costs incident thereto in running the Government under the New Deal. It has been stated they are going to be expending \$2,000,000,000 a month by the middle of next year, and where are you going to get the money? You know you cannot get it. You know there is a financial wreck ahead unless you cut down your spending.

Mr. FULMER. I have no quarrel with the gentleman, but this is entirely a different matter. I think the gentleman is taking time to express himself on a very important matter, but one that ought to

come before the Appropriations Committee of which he is a very valuable member, and not before the House at a time when we are trying to use properly that which your committee gave to the Department of Agriculture, and I hope the gentleman will not object.

Mr. RICH. Mr. Speaker, I ask that the bill go over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey [Mr. KEAN] that the bill be passed over without prejudice?

There was no objection.

MAKING CERTAIN ALIENS ELIGIBLE FOR CITIZENSHIP

The Clerk called the next bill, H. R. 5423, making eligible for citizenship any alien not racially ineligible to naturalization heretofore admitted to the United States for permanent residence under special act of Congress.

Mr. GORE. Mr. Speaker, I do not see any objection to the bill unless there is some limitation which has been imposed upon these people which would make it improper to admit them to citizenship. I wonder if the gentleman from Michigan would explain the bill.

Mr. LESINSKI. Mr. Speaker, the Committee on Immigration and Naturalization has passed many private bills. There have been amendments attached to those bills to the effect that such aliens cannot become citizens of this country although legally admitted. The President of the United States has vetoed several bills with such amendments attached to them. The Department of Justice is asking that this bill be passed so that they can correct the situation and permit these aliens who are here legally to become American citizens, to which they are entitled.

Mr. GORE. If we made a mistake in letting them become permanent residents that is a mistake already made and personally I can see no objection to having them apply for citizenship unless there are limitations in these acts of special consideration which would make it improper to admit them to citizenship. Is there any uniformity or lack of uniformity in the acts?

Mr. MASON. Mr. Speaker, may I answer that question? The purpose of the bill is to correct the mistakes that the gentleman has already spoken of. That is all. It is to correct the mistakes that the Congress has made in giving certain aliens permanent residence, but in forbidding citizenship, which the President and the Department of Justice consider a mistake. This bill is to rectify those past mistakes, and no future mistakes will be made, because every bill that is passed with that limitation from now on under the present administration will be vetoed.

Mr. GORE. Mr. Speaker, I quite agree with the gentleman, whether we have been right or wrong in permitting them to become permanent residents, that now we should allow them to make application for citizenship, except that I thought there may be some special consideration in some of these cases which might forbid that. I withdraw my reservation of objection.

Mr. BROOKS. Mr. Speaker, I reserve the right to object in order to ask some questions. In these cases are there any persons who might be applicants, who have been admitted to the United States because of forged passports, which they forged themselves or which came in under those forged-passport cases, or are there any cases involving moral turpitude? Are those cases that will be admitted to citizenship?

Mr. LESINSKI. No; those are private bills passed by the committee and reported to the House and the House passed on those bills. They are all aliens, most of whom are here illegally.

Mr. BROOKS. Congress passed some special bills admitting to residence certain persons because of dependency and other conditions—hardship cases. Do they involve crimes?

Mr. LESINSKI. There will be no crime committed.

Mr. BROOKS. Would those cases be admitted to citizenship?

Mr. LESINSKI. Those have been passed on by the House and the Senate and signed by the President, and this only takes care of those cases.

Mr. BROOKS. Would those cases that come in under forged passports be admitted to citizenship?

Mr. LESINSKI. We have not considered any of them.

Mr. BROOKS. How would you keep them out?

Mr. LESINSKI. We would have to pass a special bill for each individual.

Mr. BROOKS. Would this bill cover that?

Mr. LESINSKI. No.

Mr. WILLIAM T. PHEIFFER. Mr. Speaker, if I may add this interpolation to what my colleague has said, these private bills are looked over very carefully before they are reported out, and I do not recall any instance in the committee where any of these bills have been reported out in the face of an adverse report from the Department of Justice. This is a remedial measure.

Mr. BROOKS. Mr. Speaker, I ask unanimous consent that the bill go over without prejudice.

The SPEAKER. Is there objection? There was no objection.

EMPOWERING LEGISLATURE OF HAWAII TO AUTHORIZE IMPROVEMENT BONDS

The Clerk called the bill (H. R. 5076) to empower the Legislature of the Territory of Hawaii to authorize the county of Kauai to issue improvement bonds.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Legislature of the Territory of Hawaii may authorize the county of Kauai to issue its general obligation bonds for the purpose of financing improvements in said county in a total amount not exceeding \$600,000, despite the existing limitations of indebtedness contained in section 55 of the act of Congress of April 30, 1900, entitled "An act to provide a government for the Territory of Hawaii," as amended: Provided, however, That when said bonds have been issued as many of them as are outstanding shall be included in the outstanding indebtedness of said county in computing the amount of additional indebtedness, other than bonds issued pursuant to the authority contained

in Act 251 of the Session Laws of Hawaii of 1941, which may be incurred by said county.

Sec. 2. Said bonds may be issued under Act 251 of the Session Laws of Hawaii of 1941 and said act is hereby ratified and confirmed: *Provided, however,* That nothing herein contained shall be deemed to prohibit the amendment of said act by said Territory by the legislature thereof from time to time to provide for changes in the improvements authorized by said act or for the disposition of unexpended moneys appropriated by said act.

With the following committee amendment:

Page 1, line 7, insert after the word "existing", the words "5 percent and 1 percent."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time and passed and a motion to reconsider laid on the table.

ELECTRIC CURRENT IN COUNTY OF HAWAII, ETC.

The Clerk called the bill (H. R. 5077) to approve Act No. 112 of the Session Laws of 1941 of the Territory of Hawaii, entitled "An act to amend Act 101 of the Session Laws of Hawaii, 1921, relating to the manufacture, maintenance, distribution, and supply of electric current for light and power within the districts of North and South Hilo and Puna, in the county of Hawaii, so as to extend the franchise to the districts of Kau and South Kohala in said county, and extend the term thereof as to the town of Hilo."

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Act No. 112 of the Session Laws of 1941 of the Territory of Hawaii, entitled "An act to amend Act 101 of the Session Laws of Hawaii, 1921, relating to the manufacture, maintenance, distribution, and supply of electric current for light and power within the districts of North and South Hilo and Puna, in the county of Hawaii, so as to extend the franchise to the districts of Kau and South Kohala in said county, and extend the term thereof as to the town of Hilo," passed by the Legislature of Hawaii and approved by the Governor of the Territory of Hawaii on April 26, 1941, be hereby approved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

DIFFERENTIAL IN PAY FOR CUSTODIAL SERVICE EMPLOYEES, POSTAL SERVICE

The Clerk called the bill (H. R. 2232) to provide a differential in pay for night work for custodial service employees in the Postal Service.

The SPEAKER pro tempore. Is there objection?

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent that the bill go over without prejudice.

Mr. RICH. Mr. Speaker, I reserve the right to object to call the attention of the House to the bill and the letter of the Postmaster General, in which we find the final language:

The cost of this legislation would be approximately \$1,100,000 per annum. It has been ascertained from the Bureau of the Budget that the enactment of this proposed legislation would not be in accord with the program of the President.

I cannot understand why the committee would permit legislation of this kind to be put on the calendar when it is against the ideas of the Postmaster General and the President does not want it. I do not understand why the members of the committee should come in here and think that we are going to let this go through by unanimous consent. Why do we do these foolish things?

Mr. MASON. Mr. Speaker, I reserve the right to object in order to answer the gentleman from Pennsylvania [Mr. RICH] and to say that the custodial employees of the Postal Department are the only group in the whole Postal Department who do not have a differential between night service and day service. The bill proposes to at least place them on the same basis as all other postal-employee groups.

The report from the Postmaster General saying it would cost a million or more is an incorrect report and has been properly checked. It will cost more, but it is necessary in order to at least do the fair thing by this one group, and the unanimous report of the Committee on the Post Office and Post Roads, under no consideration, should be called a foolish report.

Mr. RICH. Let me ask the gentleman this question: Whenever the Postmaster General, who is supposed to have charge of all post-office employees in the country, comes in with a report that is contrary to the report of the committee, is it not possible for the committee and the Postmaster General to get together so that we might try to do the business of the Government in a good, sensible, businesslike way? That is the way they do it in ordinary procedure back in the country.

Mr. MASON. In answer to the gentleman's statement, I might say that the same Postmaster General reports and advocates and urges upon Congress and upon our committee the passage of a bill which would subsidize book rates at the expense of \$7,000,000, and urged that, but every time there is a chance to do justice to certain groups of employees, then they report adversely. I want to ask the gentleman if he considers that consistent.

Mr. RICH. Then I come to the conclusion from the statement of the gentleman from Illinois that you have no confidence in the report of the Postmaster General and you cannot rely on that, because you have stated this is not a correct statement?

Mr. MASON. And I want to say that the gentleman's remarks would show that he has no confidence in the Committee on the Post Office and Post Roads in this House.

Mr. RICH. I think you should try to reconcile your differences.

Mr. McCORMACK. Mr. Speaker, reserving the right to object, I hope that the unanimous-consent request will not be pressed. This is a very meritorious bill. I think the gentleman from Pennsylvania [Mr. RICH] ought to compliment the committee for acting independently. Usually my friend from Pennsylvania claims that committees are rubber stamps. Here, according to his own admission, the committee does the very thing that he advocates in other direc-

tions. So personally I think my very good friend and warm-hearted colleague from Pennsylvania ought to congratulate the Committee on the Post Office and Post Roads for its independence.

Now, so far as the bill is concerned, this is a very meritorious bill. It certainly goes to the lowest-salaried employees of the Post Office Department. It only seeks to extend the minimum of practical justice, and I hope that the unanimous-consent request to pass the bill over without prejudice will be withdrawn.

Mr. RICH. Mr. Speaker, reserving the right to object, has the majority leader read the letter from the Postmaster General of February 19, 1941, to the gentleman from Missouri, Hon. MILTON A. ROMJUE, wherein he criticized the legislation and said that it was not in accordance with the wishes of the President, not in accordance with his own idea, nor the idea of the Budget? I would like to ask the gentleman, who is the majority leader, when you see we are going into the red over a billion dollars a month now, when you see that this Nation is on the verge of bankruptcy and you are going to come in here this week and ask the Government for \$6,000,000,000 more, which will make thirteen billion for the President to give away, do you not think it is about time to conserve the resources of America, to look after the American taxpayer as well, and try to keep this country from going into bankruptcy? You as majority leader are one of those who is responsible to guide the destinies of this administration. I think that somebody should take hold of things pretty soon.

Mr. McCORMACK. I do not agree with most of the facts stated by the gentleman. The gentleman from Pennsylvania asked a hypothetical question, and most of the premises of his question I am not in agreement with. Of course, everything the gentleman says about the country being in bankruptcy is agreed to by only a very few outside of my distinguished friend from Pennsylvania. But we were just discussing this bill. Just keep your mind focused on this bill. I know the gentleman from Pennsylvania is capable of doing it. This bill confines itself to a small group of deserving employees. Certainly the committee should be congratulated for weighing all the evidence, considering the report of the Post Office Department, and considering all other evidence involved, and then acting independently in reporting the bill out. In other words, as I said before, the committee should be congratulated by the gentleman from Pennsylvania for its independence instead of being criticized by him.

This is a worthy bill, and I hope it will be passed today.

Mr. RICH. It was stated that Mr. Walker was wrong in stating that it would cost \$1,100,000. A member of the committee stated that. Now, what is the actual cost?

Mr. BURCH. Will the gentleman yield?

Mr. RICH. I yield.

Mr. BURCH. I want to say to you that the first letter was evidently gotten up hurriedly. On August 25 the Committee on the Post Office and Post Roads received

Page 2, line 6, after the word "property", strike out "and" and insert in lieu thereof the word "or", and, after the word "reasonable", insert "hospital."

Page 2, line 7, strike out "and hospital" and insert in lieu thereof "or burial."

Page 2, line 9, after the figures "\$1,000", insert "for property damage or for hospital, medical, or burial expenses."

Page 2, line 17, after the figures "\$500", insert "for property damage or for hospital, medical, or burial expenses."

Page 2, line 25, after the word "concerned", insert "and such officials as he may designate."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read a third time, and passed, and a motion to reconsider was laid on the table.

SETTLEMENTS WITH PAYEES OF LOST OR STOLEN CHECKS

The Clerk called the next bill, H. R. 5079, to authorize the Treasurer of the United States to make settlements with payees of lost or stolen checks, which have been paid on forged endorsements, in advance of reclamation, and for other purposes.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. WHITE. Mr. Speaker, reserving the right to object, I would like to ask the author of this bill a question. Does this bill go to special cases, or is it of general application?

Mr. McGEHEE. It is of general application, where checks are lost.

Mr. WHITE. We have had cases of that kind in Idaho where we are seeking relief. I want to know if this bill will relieve that situation?

Mr. McGEHEE. It will relieve that situation.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$50,000, to be available until expended, to be used by the Treasurer of the United States, under the direction of the Secretary of the Treasury, for making settlement with the payees and special indorsees of certain checks drawn on the Treasurer of the United States, as hereinafter provided. There is hereby further authorized to be appropriated from time to time such additional sums as may be necessary for such purpose. There shall be on deposit with the Treasurer of the United States in a special deposit account a revolving fund, to be known as the check-forgery insurance fund (hereinafter referred to as "the fund"), to be composed of the sum of \$50,000 and such further sums as may hereafter be appropriated from time to time, together with all recoveries deposited to the credit of the fund as hereinafter provided.

SEC. 2. Whenever it is established (a) that any check drawn on the Treasurer of the United States has been lost or stolen, without the fault of the payee or a holder who is a special indorsee and whose indorsement is necessary to the further negotiation of such check, (b) that such check has thereafter been negotiated and paid by the Treasurer on a forged indorsement of the payee's or special indorsee's name, (c) that the payee or special indorsee has not participated either directly or indirectly in the proceeds of such negotiation or payment, and (d) that reclamation from the forger or transferees or parties on such check subsequent to the forgery may be delayed or be unsuccessful,

the Treasurer of the United States is authorized and directed to draw on the fund prior to reclamation to pay such payee or special indorsee the amount of such check, without interest.

SEC. 3. Nothing contained in this act shall be construed to relieve the forger from civil or criminal liability, nor to relieve any transferee or party on such check subsequent to the forgery from liability on his express or implied guaranty of prior indorsements, or liability to make refund to the Treasurer of the United States, and all amounts received by the Treasurer by way of reclamation from such persons, or other persons making repayment on behalf of such persons, to the extent that such amounts are necessary to reimburse the fund for payments made to payees or special indorsees therefrom shall forthwith be deposited to the credit of the fund and shall be available for the purposes thereof.

SEC. 4. The Secretary of the Treasury shall have the power to make such rules and regulations as he may deem necessary or proper for the administration of the provisions of this act.

SEC. 5. This act shall take effect on the sixtieth day following the date of its enactment.

With the following committee amendments:

Page 2, line 12, after the word "check", insert "heretofore or hereafter."

Page 2, line 22, after the word "forgery", insert "has been or."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING THE AGRICULTURAL ADJUSTMENT ACT OF 1938

The Clerk called the next bill, H. R. 5171, to amend section 392 of the Agricultural Adjustment Act of 1938, as amended, so as to provide for separate appropriation accounts for administrative expenses of the Agricultural Adjustment Administration, so as to modify the 1- and 2-percent limitations on administrative expenses and to provide over-all limitations in lieu thereof, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, effective for the fiscal year 1942 and subsequent fiscal years, section 392 of the Agricultural Adjustment Act of 1938, as amended, is amended as follows:

(a) Subsection (a) is amended to read as follows:

"(a) The Secretary is authorized and directed to make such expenditures as he deems necessary to carry out the provisions of this act and sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act, as amended, including personal services and rents in the District of Columbia and elsewhere; traveling expenses; supplies and equipment; lawbooks, books of reference, directories, periodicals, and newspapers; and the preparation and display of exhibits, including such displays at community, county, State, interstate, and international fairs within the United States. The Secretary of the Treasury is authorized and directed upon the request of the Secretary to establish one or more separate appropriation accounts into which there shall be transferred from the respective funds available for the purposes of the several acts, in connection with which personnel or other facilities of the

Agricultural Adjustment Administration are utilized, proportionate amounts estimated by the Secretary to be required by the Agricultural Adjustment Administration for administrative expenses in carrying out or co-operating in carrying out any of the provisions of the respective acts."

(b) Subsection (b) is amended to read as follows:

"(b) In the administration of this title and sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act, as amended, the aggregate amount expended in any fiscal year, beginning with the fiscal year ending June 30, 1942, for administrative expenses in the District of Columbia, including regional offices, and in the several States (not including the expenses of county and local committees) shall not exceed 3 percent of the total amount available for such fiscal year for carrying out the purposes of this title and such act. In the administration of section 32 of the act entitled 'An act to amend the Agricultural Adjustment Act, and for other purposes,' approved August 24, 1935 (49 Stat. 774), as amended, and the Agricultural Marketing Agreement Act of 1937, as amended, and those sections of the Agricultural Adjustment Act (of 1933), as amended, which were reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, the aggregate amount expended in any fiscal year, beginning with the fiscal year ending June 30, 1942, for administrative expenses in the District of Columbia, including regional offices, and in the several States (not including the expenses of county and local committees) shall not exceed 4 percent of the total amount available for such fiscal year for carrying out the purposes of said acts. In the event any administrative expenses of any county or local committee are deducted in any fiscal year, beginning with the fiscal year ending June 30, 1939, from Soil Conservation Act payments, parity payments, or loans, each farmer receiving benefits under such provisions shall be apprised of the amount or percentage deducted from such benefit payment or loan on account of such administrative expenses. The names and addresses of the members and employees of any county or local committee, and the amount of such compensation received by each of them, shall be posted annually in a conspicuous place in the area within which they are employed."

(c) Section 392 is further amended by adding at the end thereof the following new subsection:

"(c) In carrying into effect section 8 of the Soil Conservation and Domestic Allotment Act, as amended, the Secretary shall have authority to purchase seeds, fertilizers, liming or other soil-conditioning materials, trees, or any other farming materials, or any soil-conserving or soil-building services, and to make grants thereof to agricultural producers to aid them in carrying out farming practices approved in programs formulated pursuant to such section; to reimburse any Federal, State, or local governmental agency for any seeds, fertilizers, liming or other soil-conditioning materials, trees, or any other farming materials, or any soil-conserving or soil-building services, furnished by such agency; and to pay all expenses necessary in making such grants, including all or part of the costs incident to the delivery thereof."

With the following committee amendment:

Page 4, after line 7, strike out the remainder of the bill.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MAKING ELIGIBLE FOR CITIZENSHIP ANY ALIEN NOT RACIALLY INELIGIBLE

The Clerk called the next bill, H. R. 5428, making eligible for citizenship any alien not racially ineligible to naturalization heretofore admitted to the United States for permanent residence under special act of Congress.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That any alien not racially ineligible to naturalization heretofore admitted to the United States for permanent residence pursuant to special act of Congress, shall, notwithstanding any provision of such special act to the contrary, be eligible to apply for United States citizenship.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DIFFERENTIAL IN PAY FOR NIGHT WORK TO CUSTODIAL-SERVICE EMPLOYEES OF THE POSTAL SERVICE

The Clerk called the next bill, H. R. 2232, to provide a differential in pay for night work to custodial-service employees in the Postal Service.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. KEAN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

VACANCIES IN FIRST- AND SECOND-CLASS POST OFFICES

The Clerk called the next bill, H. R. 3192, to require the filling of all vacancies in the position of assistant postmaster in the first- and second-class post offices.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

Mr. BURCH. Mr. Speaker, will the gentleman withhold his request for a moment?

Mr. WOLCOTT. I will withhold the request.

Mr. BURCH. Mr. Speaker, this bill was passed over without prejudice at the last call of the calendar. It is a simple bill. It is a bill that has been unanimously reported by the Committee on the Post Office and Post Roads. It requires that vacancies of assistant postmasters must be filled within 120 days. There is no real objection to this bill by the Post Office Department. As it is now, a clerk occupies this place as acting assistant postmaster, without additional pay, with all the responsibilities. This does not increase the personnel, and we of the Committee on the Post Office and Post Roads think it is a meritorious bill and should be favorably acted upon.

Mr. WOLCOTT. Mr. Speaker, it seems to me it is an improper way to legislate. There is authority in law for the appointment of these assistant postmasters. This bill appears to me to be forcing ourselves to do something that we do

not insist upon doing when the annual Post Office Department appropriation bill is considered. All we have to do to fill these vacancies is to appropriate a sufficient amount of money when the Post Office Department appropriation bill is before the Congress. We do not need to pass legislation to compel ourselves to do something that we have the authority to do when an appropriation bill is considered. That is all this bill does. There is authority in law at the present time for the filling of all vacancies, and the Post Office Department will do it if they want to do it, if we appropriate the money. All this does is to compel them to do something that they may not want to do. Either that or it compels us to do something with respect to an appropriation bill that we have not seen fit to do up to the present time.

Mr. BURCH. A lot of them would be very glad to do it if they had the appropriation.

Mr. WOLCOTT. Have they asked for an appropriation?

Mr. BURCH. Yes.

Mr. WOLCOTT. Then why have we not given them the appropriation?

Mr. BURCH. I do not know. They do not have the appropriation.

Mr. WOLCOTT. This is just a bill to force us to do something that we have not seen fit to do by the orthodox method up to the present time. This is no new authorization. The authorization is already in the law to make these appointments.

Mr. BURCH. It is for the efficient administration of the Post Office Department.

Mr. WOLCOTT. I wonder that some member of the Appropriations Committee does not get up here and protect that committee. Why should we legislate on the floor compelling a committee to do something they do not want to do? They have undoubtedly held hearings on this and they have either refused to give the Post Office Department this money or the Post Office Department has not asked for it. Why should we force the Post Office Department to do something that they apparently do not want to do?

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. MAY. I am not interested in this matter except to inquire whether or not this bill constitutes legislative authority to the Appropriations Committee to make the appropriation.

Mr. WOLCOTT. The legislative authority already exists, but the Post Office Department has not asked for an appropriation to fill these vacancies. It is a matter for the Appropriations Committee to consider and report in the Post Office Department appropriation bill.

Mr. MAY. I think it is sound policy not to make appropriations until legislative authority is had for them.

Mr. WOLCOTT. I agree with the gentleman.

Mr. MAY. I thought possibly this was a bill granting the legislative authority.

Mr. WOLCOTT. The authority already exists to fill these vacancies and if the Appropriations Committee will recommend the appropriations to the House, the same purpose will be accomplished.

Mr. BURCH. That is correct. At the same time we have between 2,000 and 2,100 vacancies, especially in second-class post offices where no assistant postmaster has been appointed, where a clerk is the acting assistant postmaster with the pay of a clerk, but the responsibility of the assistant postmaster, doing work but not paid for the additional work.

Mr. WOLCOTT. As I understand it the Postmaster General does not recommend that this legislation be passed.

Mr. BURCH. He says it is desirable.

Mr. WOLCOTT. The Postmaster General states:

There is considerable merit for the appointment of an assistant postmaster at each first- and second-class post office.

Mr. BURCH. Yes.

Mr. WOLCOTT. He states further:

There is authority of law for the Department to make these appointments.

Mr. BURCH. Yes.

Mr. WOLCOTT. The Postmaster General further states:

The Bureau of the Budget has not approved nor has the Congress appropriated sufficient funds in the last several years to permit the appointment of an assistant postmaster at each first- and second-class office.

The Bureau of the Budget states that the legislation would not be in accord with the program of the President.

Mr. BURCH. That is the usual letter, as the gentleman knows.

Mr. WOLCOTT. I know it. Now, there is authority of law at the present time but the Bureau of the Budget has not made the recommendation. The Appropriations Committee probably influenced by the Bureau of the Budget have neglected to recommend appropriations. This matter has been before Congress and always is before Congress annually when the appropriation bill for the Post Office Department is before us. It seems to me all we are doing is just compelling ourselves to do something we will not do in an orthodox manner.

Mr. BURCH. It is something that should be done.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

Mr. BURCH. Mr. Speaker, I object to the bill being passed over.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, I object.

FIRES ON THE PUBLIC DOMAIN

The Clerk called the next bill, S. 633, to amend the Criminal Code in respect to fires on the public domain or Indian lands or on certain lands owned by the United States.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

Mr. SUMNERS of Texas. Mr. Speaker, will the gentleman reserve his objection?

Mr. CASE of South Dakota. Yes; I withdraw my request for the time being.

16.4.15

77TH CONGRESS
1ST SESSION

H. R. 5171



IN THE SENATE OF THE UNITED STATES

OCTOBER 23, 1941

Read twice and referred to the Committee on Agriculture and Forestry

AN ACT

To amend section 392 of the Agricultural Adjustment Act of 1938, as amended, so as to provide for separate appropriation accounts for administrative expenses of the Agricultural Adjustment Administration, so as to modify the 1 and 2 per centum limitations on administrative expenses and to provide over-all limitations in lieu thereof, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That, effective for the fiscal year 1942 and subsequent fiscal
4 years, section 392 of the Agricultural Adjustment Act of
5 1938, as amended, is amended as follows:

6 (a) Subsection (a) is amended to read as follows:

7 “(a) The Secretary is authorized and directed to make

1 such expenditures as he deems necessary to carry out the
2 provisions of this Act and sections 7 to 17, inclusive, of the
3 Soil Conservation and Domestic Allotment Act, as amended,
4 including personal services and rents in the District of Colum-
5 bia and elsewhere; traveling expenses; supplies and equip-
6 ment; lawbooks, books of reference, directories, periodicals,
7 and newspapers; and the preparation and display of exhibits,
8 including such displays at community, county, State, inter-
9 state, and international fairs within the United States. The
10 Secretary of the Treasury is authorized and directed upon the
11 request of the Secretary to establish one or more separate
12 appropriation accounts into which there shall be transferred
13 from the respective funds available for the purposes of the
14 several Acts, in connection with which personnel or other
15 facilities of the Agricultural Adjustment Administration are
16 utilized, proportionate amounts estimated by the Secretary
17 to be required by the Agricultural Adjustment Administration
18 for administrative expenses in carrying out or cooperating
19 in carrying out any of the provisions of the respective Acts."

20 (b) Subsection (b) is amended to read as follows:

21 "(b) In the administration of this title and sections
22 7 to 17, inclusive, of the Soil Conservation and Domestic
23 Allotment Act, as amended, the aggregate amount expended
24 in any fiscal year, beginning with the fiscal year ending
25 June 30, 1942, for administrative expenses in the District

1 of Columbia, including regional offices, and in the several
2 States (not including the expenses of county and local com-
3 mittees) shall not exceed 3 per centum of the total amount
4 available for such fiscal year for carrying out the purposes
5 of this title and such Act. In the administration of section
6 32 of the Act entitled 'An Act to amend the Agricultural
7 Adjustment Act, and for other purposes', approved August
8 24, 1935 (49 Stat. 774), as amended, and the Agricultural
9 Marketing Agreement Act of 1937, as amended, and those
10 sections of the Agricultural Adjustment Act (of 1933), as
11 amended, which were reenacted and amended by the Agri-
12 cultural Marketing Agreement Act of 1937, as amended,
13 the aggregate amount expended in any fiscal year, beginning
14 with the fiscal year ending June 30, 1942, for administrative
15 expenses in the District of Columbia, including regional
16 offices, and in the several States (not including the expenses
17 of county and local committees) shall not exceed 4 per
18 centum of the total amount available for such fiscal year for
19 carrying out the purposes of said Acts. In the event any
20 administrative expenses of any county or local committee are
21 deducted in any fiscal year, beginning with the fiscal year
22 ending June 30, 1939, from Soil Conservation Act payments,
23 parity payments, or loans, each farmer receiving benefits
24 under such provisions shall be apprised of the amount or per-
25 centage deducted from such benefit payment or loan on ac-

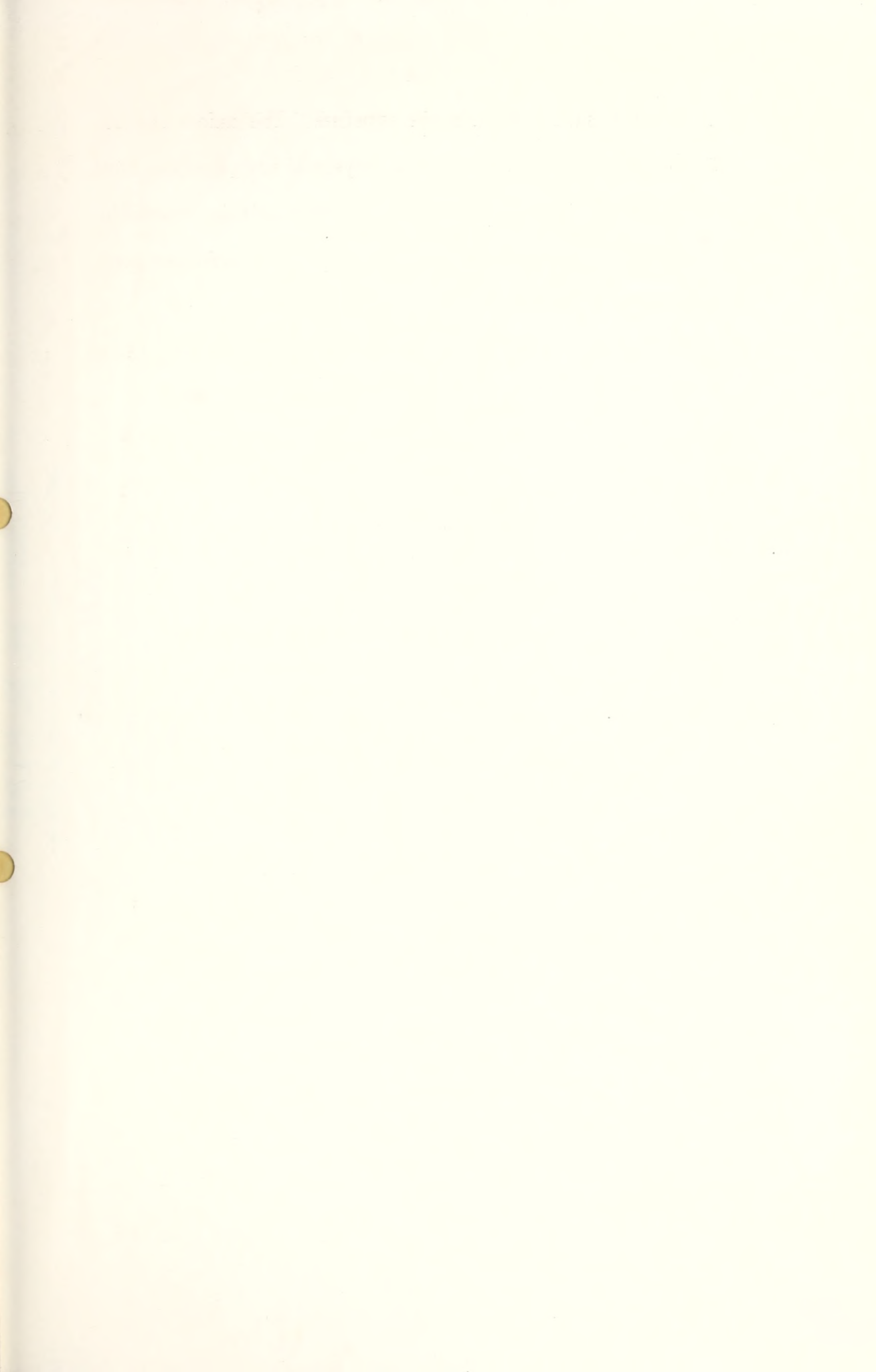
1 count of such administrative expenses. The names and ad-
2 dresses of the members and employees of any county or local
3 committee, and the amount of such compensation received by
4 each of them, shall be posted annually in a conspicuous place
5 in the area within which they are employed.”

Passed the House of Representatives October 21, 1941.

Attest:

SOUTH TRIMBLE,

Clerk.



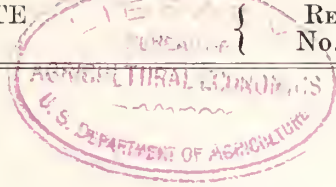


AN ACT

To amend section 392 of the Agricultural Adjustment Act of 1938, as amended, so as to provide for separate appropriation accounts for administrative expenses of the Agricultural Adjustment Administration, so as to modify the 1 and 2 per centum limitations on administrative expenses and to provide over-all limitations in lieu thereof, and for other purposes.

OCTOBER 23, 1941

Read twice and referred to the Committee on
Agriculture and Forestry



AMENDING SECTION 392 OF THE AGRICULTURAL ADJUSTMENT ACT OF 1938, AS AMENDED, SO AS TO PROVIDE FOR SEPARATE APPROPRIATION ACCOUNTS FOR ADMINISTRATIVE EXPENSES OF THE AGRICULTURAL ADJUSTMENT ADMINISTRATION, SO AS TO MODIFY THE 1 AND 2 PERCENT LIMITATIONS ON ADMINISTRATIVE EXPENSES AND TO PROVIDE OVER-ALL LIMITATIONS IN LIEU THEREOF

JANUARY 16, 1942.—Ordered to be printed

Mr. SMITH, from the Committee on Agriculture and Forestry, submitted the following

REPORT

[To accompany H. R. 5171]

The Committee on Agriculture and Forestry, to whom was referred the bill (H. R. 5171) to amend section 392 of the Agricultural Adjustment Act of 1938, as amended, so as to provide for separate appropriation accounts for administrative expenses of the Agricultural Adjustment Administration, so as to modify the 1 and 2 percent limitations on administrative expenses and to provide over-all limitations in lieu thereof, and for other purposes, having considered the same, report favorably thereon with the recommendation that the bill do pass.

A full explanation of this legislation is contained in a letter from the Department of Agriculture. A copy of this letter is enclosed and titled "Exhibit A."

EXHIBIT A

NOVEMBER 6, 1941.

Hon. E. D. SMITH,
United States Senate.

DEAR SENATOR SMITH: In accordance with your request of October 27, 1941 we submit the following outline of the changes proposed under H. R. 5171. This proposed bill would amend section 392 of the Agricultural Adjustment Act of 1938, as amended, so as to accomplish the following:

(1) To retain the existing 3-percent limitation relating to administrative expenses of the Agricultural Adjustment Administration but to remove the separate 1-percent limitation with reference to administrative expenses in the District of Columbia and the separate 2-percent limitation on administrative expenses in the States (not including the expenses of county and local committees). During the 1942 fiscal year we propose further decentralization to the State offices of clerical and audit work in connection with programs administered by the Agricultural Adjustment Administration. This additional decentralization together with the increased field salaries resulting from the extension of the provisions of

the Classification Act to field personnel will have the net result of increasing field expenditures and reducing expenditures in the District of Columbia although the total expenditures for administrative expenses will be well within the 3-percent limitation.

(2) To provide for the expenditure by the Surplus Marketing Administration of not to exceed 4 percent of the total amount available for carrying out section 32 of the act approved August 24, 1935, for administrative expenses in the District of Columbia and the several States. Prior to this fiscal year the costs of administering the Agricultural Marketing Agreement Act of 1937 were financed from funds made available in 1933 by the Agricultural Adjustment Act of May 12, 1933. None of the administrative expenses for administration of marketing agreements and orders was provided for in the funds made available for the administration of section 32 of the act approved August 24, 1935. Our present administrative estimates include marketing agreement costs, together with those anticipated for carrying out said section 32, since the original funds appropriated in 1933 for this purpose are now exhausted.

(3) To provide for separate appropriation accounts to be created from funds available to the Agricultural Adjustment Administration which would permit us to streamline our accounting, fiscal, and budgetary work by eliminating the present requirement that all allotments and expenditures be recorded and reported under each separate appropriation. The major work being done by the Agricultural Adjustment Administration, such as establishing allotments and yields for various commodities on individual farms and checking performance or participation is in actuality being performed simultaneously in connection with the agricultural conservation program, the parity-payment program, the crop-insurance program, the marketing-quota program, the sugar program, and the commodity-loan program. Any exact distribution or proration of expenditures to these various appropriations is extremely difficult and in the long run is of very little administrative value since we are more interested in what a particular job costs, and that figure is lost if the cost of doing a job is prorated among several appropriations. Under this proposed legislation each appropriation or fund available for administrative expenses would contribute its estimated share of such expenses to the appropriation account. All administrative expense disbursements would then be made from such an appropriation account thereby permitting easier administrative control and eliminating much fiscal and accounting work.

(4) To provide for the elimination of the present requirement that each farmer receiving a conservation payment, a parity payment, or a loan must receive an accompanying notice of the amount or percentage deducted for administrative expenses of his county or local committee. It will still be a requirement under this section that all such persons be notified of the amount or percentage deducted from their payments for such expenses. The requirement that the notice accompany the check has delayed the process of disbursement.

(5) To provide for inclusion in section 392 of the authority which in the past has been contained in the annual appropriation act, enabling the Secretary to make expenditures as he deems necessary to carry out the provisions of sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act, as amended, as well as the provisions of the Agricultural Adjustment Act of 1938, as amended, including the preparation and display of exhibits as one of the specific items so authorized.

In summary the effect of H. R. 5171 on the Agricultural Adjustment Administration would be that work could be further decentralized from Washington to the respective States and that accounting, fiscal, and budgetary processes could be further streamlined and that the processes of making payments to farmers could be facilitated.

The original draft of the proposed legislation as submitted to the Vice President and the Speaker of the House of Representatives under date of June 24, 1941, contained an additional proviso to authorize in permanent fashion purchases of and grants to farmers of conservation materials and services, to authorize reimbursement of Federal, State, or local governmental agencies for such materials or services, and to authorize the payment of all expenses incident to the handling or delivery of such materials or services. Similar authority has been contained in each recent Department of Agriculture Appropriation Act. Since it has also been proposed to be included in the Department of Agriculture Appropriation Act for 1943, we did not offer any objections to its being deleted in the House of Representatives from this proposed legislation.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely yours,

CLAUDE R. WICKARD, *Secretary.*



Calendar No. 996

77TH CONGRESS
2^D SESSION

H. R. 5171

[Report No. 960]

IN THE SENATE OF THE UNITED STATES

OCTOBER 23, 1941

Read twice and referred to the Committee on Agriculture and Forestry

JANUARY 16, 1942

Reported by Mr. SMITH, without amendment

AN ACT

To amend section 392 of the Agricultural Adjustment Act of 1938, as amended, so as to provide for separate appropriation accounts for administrative expenses of the Agricultural Adjustment Administration, so as to modify the 1 and 2 per centum limitations on administrative expenses and to provide over-all limitations in lieu thereof, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That, effective for the fiscal year 1942 and subsequent fiscal
4 years, section 392 of the Agricultural Adjustment Act of
5 1938, as amended, is amended as follows:

6 (a) Subsection (a) is amended to read as follows:

7 “(a) The Secretary is authorized and directed to make

1 such expenditures as he deems necessary to carry out the
2 provisions of this Act and sections 7 to 17, inclusive, of the
3 Soil Conservation and Domestic Allotment Act, as amended,
4 including personal services and rents in the District of Colum-
5 bia and elsewhere; traveling expenses; supplies and equip-
6 ment; lawbooks, books of reference, directories, periodicals,
7 and newspapers; and the preparation and display of exhibits,
8 including such displays at community, county, State, inter-
9 state, and international fairs within the United States. The
10 Secretary of the Treasury is authorized and directed upon the
11 request of the Secretary to establish one or more separate
12 appropriation accounts into which there shall be transferred
13 from the respective funds available for the purposes of the
14 several Acts, in connection with which personnel or other
15 facilities of the Agricultural Adjustment Administration are
16 utilized, proportionate amounts estimated by the Secretary
17 to be required by the Agricultural Adjustment Administration
18 for administrative expenses in carrying out or cooperating
19 in carrying out any of the provisions of the respective Acts.”

20 (b) Subsection (b) is amended to read as follows:

21 “(b) In the administration of this title and sections
22 7 to 17, inclusive, of the Soil Conservation and Domestic
23 Allotment Act, as amended, the aggregate amount expended
24 in any fiscal year, beginning with the fiscal year ending
25 June 30, 1942, for administrative expenses in the District
26 of Columbia, including regional offices, and in the several

1 States (not including the expenses of county and local com-
2 mittees) shall not exceed 3 per centum of the total amount
3 available for such fiscal year for carrying out the purposes
4 of this title and such Act. In the administration of section
5 32 of the Act entitled 'An Act to amend the Agricultural
6 Adjustment Act, and for other purposes', approved August
7 24, 1935 (49 Stat. 774), as amended, and the Agricultural
8 Marketing Agreement Act of 1937, as amended, and those
9 sections of the Agricultural Adjustment Act (of 1933), as
10 amended, which were reenacted and amended by the Agri-
11 cultural Marketing Agreement Act of 1937, as amended,
12 the aggregate amount expended in any fiscal year, beginning
13 with the fiscal year ending June 30, 1942, for administrative
14 expenses in the District of Columbia, including regional
15 offices, and in the several States (not including the expenses
16 of county and local committees) shall not exceed 4 per
17 centum of the total amount available for such fiscal year for
18 carrying out the purposes of said Acts. In the event any
19 administrative expenses of any county or local committee are
20 deducted in any fiscal year, beginning with the fiscal year
21 ending June 30, 1939, from Soil Conservation Act payments,
22 parity payments, or loans, each farmer receiving benefits
23 under such provisions shall be apprised of the amount or per-
24 centage deducted from such benefit payment or loan on ac-
25 count of such administrative expenses. The names and ad-

- 1 dresses of the members and employees of any county or local
 2 committee, and the amount of such compensation received by
 3 each of them, shall be posted annually in a conspicuous place
 4 in the area within which they are employed."

Passed the House of Representatives October 21, 1941.

Attest:

SOUTH TRIMBLE,

Clerk.

THE CONGRESS
2D Session

H. R. 5171

Calendar No. 996

[Report No. 960]

AN ACT

To amend section 392 of the Agricultural Adjustment Act of 1938, as amended, so as to provide for separate appropriation accounts for administrative expenses of the Agricultural Adjustment Administration, so as to modify the 1 and 2 per centum limitations on administrative expenses and to provide over-all limitations in lieu thereof, and for other purposes.

OCTOBER 23, 1941

Read twice and referred to the Committee on
Agriculture and Forestry

JANUARY 16, 1942

Reported without amendment

"(F) In the case of hops and their products, in addition to, or in lieu of, the foregoing terms and conditions, orders may contain one or more of the following:

"(i) Limiting, or providing methods for the limitation of, the total quantity thereof, or of any grade, type, or variety thereof, produced during any specified period or periods, which all handlers may handle in the current of or so as directly to burden, obstruct, or affect interstate or foreign commerce in hops or any product thereof."

"(ii) Apportioning, or providing methods for apportioning, the total quantity of hops of the production of the then current calendar year permitted to be handled equitably among all producers in the production area to which the order applies upon the basis of one or more or a combination of the following: The total quantity of hops available or estimated will become available for market by each producer from his production during such period; the normal production of the acreage of hops operated by each producer during such period upon the basis of the number of acres of hops in production, and the average yield of that acreage during such period as the Secretary determines to be representative, with adjustments determined by the Secretary to be proper for age of plantings or abnormal conditions affecting yield; such normal production or historical record of any acreage for which data as to yield of hops are not available or which had no yield during such period shall be determined by the Secretary on the basis of the yields of other acreage of hops of similar characteristics as to productivity, subject to adjustment as just provided for."

"(iii) Allotting, or providing methods for allotting, the quantity of hops which any handler may handle so that the allotment fixed for that handler shall be limited to the quantity of hops apportioned under preceding section (ii) to each respective producer of hops; such allotment shall constitute an allotment fixed for that handler within the meaning of subsection (5) of section 8a of this title."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

OPEN-MARKET PROCUREMENTS BY DEPARTMENT OF AGRICULTURE BELOW \$100

The bill (S. 1691) to authorize the Department of Agriculture to make open-market procurements where the aggregate amount involved does not exceed \$100 was announced as next in order.

Mr. TAFT. Mr. President, may we have an explanation of the bill?

Mr. SMITH. Mr. President, the bill is recommended by the Department of Agriculture. At present the Department must advertise for bids in connection with any expenditure above \$50. The officials of the Department say that such a restriction causes more trouble than it is worth, and they wish to raise the limit to \$100, which seems fair.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 1 (b) and section 1 (c) of the act approved October 10, 1940 (54 Stat. 1109), entitled "An act to consolidate certain exceptions to section 3709

of the Revised Statutes and to improve the United States Code," be, and hereby are, amended to read as follows:

"(b) Where the aggregate amount involved does not exceed the sum of \$50—

"(1) The Administrative Office of the United States Courts.

"(2) The Federal Bureau of Investigation in the field.

"(3) The Federal Home Loan Bank Board.

"(4) The Federal Power Commission.

"(5) The Federal Trade Commission.

"(6) The General Accounting Office.

"(7) The Interstate Commerce Commission.

"(8) The National Advisory Committee for Aeronautics.

"(9) The National Archives.

"(10) The National Labor Relations Board.

"(11) The Navy Department or its bureaus and offices.

"(12) The Railroad Retirement Board.

"(13) The Securities and Exchange Commission.

"(14) The Tariff Commission.

"(15) The Treasury Department.

"(16) The Veterans' Administration.

"(c) Where the aggregate amount involved does not exceed the sum of \$100—

"(1) The Civil Aeronautics Board.

"(2) The Department of Agriculture.

"(3) The Department of Labor.

"(4) The Federal Loan Agency.

"(5) The Federal Works Agency.

"(6) The Maritime Labor Board.

"(7) The Smithsonian Institution.

"(8) The United States Maritime Commission.

"(9) The District of Columbia."

REGULATION, INSPECTION, AND CLEANING OF RAILWAY CARS FROM MEXICO

The bill (H. R. 4849) to provide for regulating, inspecting, cleaning, and, when necessary, disinfecting railway cars, other vehicles, and other materials entering the United States from Mexico, was considered, ordered to a third reading, read the third time, and passed.

ADMINISTRATIVE EXPENSES OF AGRICULTURAL ADJUSTMENT ADMINISTRATION

The bill (H. R. 5171) to amend section 392 of the Agricultural Adjustment Act of 1938, as amended, so as to provide for separate appropriation accounts for administrative expenses of the Agricultural Adjustment Administration, so as to modify the 1- and 2-percent limitations on administrative expenses and to provide over-all limitations in lieu thereof, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

READ PASSED OVER

The bill (S. 1617) to amend the Employment Stabilization Act of 1931 was announced as next in order.

Mr. McNARY. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

AMENDMENT OF NATIONAL SERVICE LIFE INSURANCE ACT OF 1940

The Senate proceeded to consider the bill (S. 1935) to amend section 602 (m) of the National Service Life Insurance Act of 1940 (Public, No. 801, 76th Cong.) to provide for a person in the military service to secure insurance effective as of date of application by payment of the first premium within 30 days thereof, which had been reported from the Committee on Finance with an

amendment, to strike out all after the enacting clause and insert:

That section 602 (m), title VI, of an act entitled "An act to provide revenue, and for other purposes," approved on October 8, 1940 (Public, No. 801, 76th Cong.), be, and the same is hereby, amended by striking out the period at the end thereof and inserting a colon and the following proviso: "Provided, That an amount equal to the first premium due under a national service life-insurance policy may be advanced from current appropriations for active service pay to any person in the active service in the Army, Navy, Marine Corps, or Coast Guard, which amount shall constitute a lien upon any service or other pay accruing to the person for whom such advance was made and shall be collected therefrom if not otherwise paid: *Provided further*, That no disbursing or certifying officer shall be responsible for any loss incurred by reason of the advance herein authorized: *And provided further*, That any amount so advanced in excess of available service or other pay shall constitute a lien on the policy within the provisions of section 5, Public Law No. 66, Seventy-sixth Congress, approved October 17, 1940."

Mr. O'MAHONEY. Mr. President, I wonder if the Senator in charge of the bill will make an explanation of its effect, as amended?

Mr. LA FOLLETTE. Mr. President, the senior Senator from Missouri [Mr. CLARK] is not present today; but as I understand the bill, it is simply to provide that there may be automatic insurance of those who are taken into the service, and that the premiums may be advanced by the department concerned and deducted from the pay. The difficulty is that many of the men do not take out insurance. While the bill is not in accord with the regular insurance practice, it is recommended by both the Army and Navy, and the Veterans' Bureau has no objection to it.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. GEORGE. The situation is that ordinarily the payment of the first premium on life insurance is necessary to the validity of the policy. That, of course, has been the rule of law followed by the Veterans' Administration with reference to Government insurance. The bill would make possible the issuance of a policy immediately upon induction into the service, when many of the inductees do not have the cash with which to pay the first premium. A lien would be created against the pay check of the man, and the policy would be valid, although there would be no actual cash payment of the premium until pay day.

As the Senator from Wisconsin says, no objection has been raised by the Veterans' Administration, and the bill is recommended by the Army and the Navy. Mr. O'MAHONEY. Mr. President, I appreciate the explanation.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

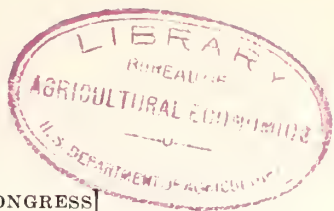
The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to amend section 602 (m) of the National Service Life Insurance Act of

Geno 31





[PUBLIC LAW 427—77TH CONGRESS]

[CHAPTER 32—2D SESSION]

[H. R. 5171]

AN ACT

To amend section 392 of the Agricultural Adjustment Act of 1938, as amended, so as to provide for separate appropriation accounts for administrative expenses of the Agricultural Adjustment Administration, so as to modify the 1 and 2 per centum limitations on administrative expenses and to provide over-all limitations in lieu thereof, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, effective for the fiscal year 1942 and subsequent fiscal years, section 392 of the Agricultural Adjustment Act of 1938, as amended, is amended as follows:

(a) Subsection (a) is amended to read as follows:

“(a) The Secretary is authorized and directed to make such expenditures as he deems necessary to carry out the provisions of this Act and sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act, as amended, including personal services and rents in the District of Columbia and elsewhere; traveling expenses; supplies and equipment; lawbooks, books of reference, directories, periodicals, and newspapers; and the preparation and display of exhibits, including such displays at community, county, State, interstate, and international fairs within the United States. The Secretary of the Treasury is authorized and directed upon the request of the Secretary to establish one or more separate appropriation accounts into which there shall be transferred from the respective funds available for the purposes of the several Acts, in connection with which personnel or other facilities of the Agricultural Adjustment Administration are utilized, proportionate amounts estimated by the Secretary to be required by the Agricultural Adjustment Administration for administrative expenses in carrying out or cooperating in carrying out any of the provisions of the respective Acts.”

(b) Subsection (b) is amended to read as follows:

“(b) In the administration of this title and sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act, as amended, the aggregate amount expended in any fiscal year, beginning with the fiscal year ending June 30, 1942, for administrative expenses in the District of Columbia, including regional offices, and in the several States (not including the expenses of county and local committees) shall not exceed 3 per centum of the total amount available for such fiscal year for carrying out the purposes of this title and such Act. In the administration of section 32 of the Act entitled ‘An Act to amend the Agricultural Adjustment Act, and for other purposes’, approved August 24, 1935 (49 Stat. 774), as amended, and the Agricultural Marketing Agreement Act of 1937, as amended, and those sections of the Agricultural Adjustment Act

(of 1933), as amended, which were reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, the aggregate amount expended in any fiscal year, beginning with the fiscal year ending June 30, 1942, for administrative expenses in the District of Columbia, including regional offices, and in the several States (not including the expenses of county and local committees) shall not exceed 4 per centum of the total amount available for such fiscal year for carrying out the purposes of said Acts. In the event any administrative expenses of any county or local committee are deducted in any fiscal year, beginning with the fiscal year ending June 30, 1939, from Soil Conservation Act payments, parity payments, or loans, each farmer receiving benefits under such provisions shall be apprised of the amount or percentage deducted from such benefit payment or loan on account of such administrative expenses. The names and addresses of the members and employees of any county or local committee, and the amount of such compensation received by each of them, shall be posted annually in a conspicuous place in the area within which they are employed."

Approved, January 31, 1942.

